

AMENDMENTS TO LB 875

Introduced by Erdman, 47; Fischer, 43; Flood, 19; Foley, 29;
Friend, 10; Heidemann, 1

1 1. Strike this and insert that. "Please"

2 Section 72-305, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 72-305 Failure to progress with due diligence, or failure
5 to make reports regularly as provided, or special reports when
6 requested, or the filing of a statement which is untrue as to
7 material facts, will subject the lease to forfeiture, and the
8 termination of the rights of the lessee upon an order of the Board
9 of Educational Lands and Funds.

10 Section 72-306, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 72-306 Upon the discovery of potash or other minerals
13 or substances in commercial quantities, the lessee shall report
14 the same to the Board of Educational Lands and Funds within
15 thirty days, together with a statement showing how soon facilities
16 necessary for production and marketing may be completed. If the
17 board deems there is an unnecessary delay between the time of
18 discovery and the time of production, a showing may be required
19 as to the cause of the delay and, if it be found to be out of
20 proportion to a reasonable length of time, the board may demand
21 more rapid development or the surrender or cancellation of the
22 lease.

23 Section 72-307, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 72-307 The lessee may have a right to the renewal of
3 the lease upon the same terms as provided in section 72-303, so
4 long as such minerals or other valuable substances are produced
5 in paying quantities; PROVIDED, such leases shall in no instance
6 contain any provision abridging the rights of future legislatures
7 to make such laws as may in their judgment be necessary to conserve
8 the interests of the state. If the lessee shall have made extensive
9 tests, or a showing satisfactory to the Board of Educational
10 Lands and Funds that he has proceeded in good faith, even though
11 no successful production has resulted, the board may, upon such
12 showing, grant an extension or renewal for further prospecting.

13 Section 72-308, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 72-308 A mineral prospector's lease shall be issued to
16 the highest and best bidder. The lease issued shall provide that
17 the royalty shall be not less than five percent, in addition to
18 the rent to be determined by the Board of Educational Lands and
19 Funds after examination and report by the Conservation and Survey
20 Division of the University of Nebraska and before leasing. Such
21 minerals or substances shall be set apart in pipelines, tanks, or
22 other receptacles, suitable for receiving the same, to the credit
23 and benefit of the state or, at the option of the state and by
24 the approval of the board, the lessee shall pay the board each
25 thirty days the gross market value thereof in cash. The state shall
26 reserve the right to fully use and enjoy, for tillage or other
27 agricultural use, the area leased for minerals, except such parts

1 thereof as may be necessary for mining and development purposes,
2 and a right-of-way over and across the premises to the place of
3 mining or operating, and for pipelines. The lessee shall pay for
4 all damages to growing crops, caused by such operations, and for
5 the use of the land necessarily occupied. The lessee shall have
6 the privilege of using sufficient water from the premises leased
7 to run necessary boilers and engines incident to and used in the
8 operations of the drills, mines, or development of products covered
9 by the lease, and the right to remove the machinery, fixtures,
10 and buildings placed on the premises by the lessee or those acting
11 under the lessee. The state, or its authorized agent, may pay for
12 and retain any structures or improvements sought to be removed by
13 the lessee upon the abandonment, expiration, or cancellation of the
14 lease.

15 Section 72-309, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 72-309 Where two or more applications are received
18 for the same land, the rights thereon may be awarded to the
19 legally qualified applicant making the highest and best bid, to be
20 determined by taking into consideration both the bonus and royalty,
21 the award being made after proper legal notice in such manner
22 as the Board of Educational Lands and Funds shall determine best
23 calculated to protect public interests.

24 Section 72-310, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 72-310 The right of the state, or its authorized agents,
27 to enter upon its own lands, and to remove therefrom any substances

1 necessary for road construction, or in structures of public
2 buildings, or other public or general purposes, shall not be
3 denied or abridged by any lease granted hereunder.

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